Heroin Road In SE Asia

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VIENTIANE—"I have the fastest boat on the river," boasted the Lao colonel as he swigged another glass of throat-burning rice whisky at a party in Ban Houei Sai, a Lao garrison town.

Nobody could dispute the colonel's claim, for the previous record-holder — a big Chrysler belonging to American Treasury and Customs officers — had a burned-out engine after someone had surreptitiously drained the oil from its crank case.

The prime suspect of U.S. officials is none other than the Colonel and his henchmen, who, they believe, are in the opium and heroin trade.

"The river" is the mighty Mekong, now swollen by monsoon rains. From Yunnan in China it plunges in a brown mass of whirlpools and forming eddies, over giant rock outcroppings that could dash a boat to pieces between the sloping green hills that make excellent land for poppy-growing.

If the river doesn't kill the unwary traveller he faces the peril of an arrow fired from a crossbow of Shan or Ekaw tribesmen or bullets from a Ho musket or a Kuomintang carbine.

The whole area—Burma on one bank and Laos on the other—is the battleground for American narcotics agents and heroin smugglers and refiners. The sabotaged boat is just a skirmish in the battle that started last November, when the United States persuaded the Lao government to pass anti-narcotics laws.

Stalemate

Agents of the Treasury and Bureau of Narcotics and Dangerous Drugs say that, after initial successes, they have reached a stalemate in the fight against drug traffickers along the borders.

Earlier this year agents knocked out two heroin refineries in villages just north of Ban Houei Sai. At one of them, Lao military officials, who denied running the refinery, burned buildings as a sign of good faith to show their willingness to stop the trade after considerable American pressure.

Later American narcotics agents and Laos' tough new drug squad leader, Gen. Khammu Bousarrath, took away truck loads of equipment from the burned refinery, including ether in 10-gallon drums, acetone and acedic anhydrate, all used in heroin manufacture.

But the all-important chemist was never caught.

In Vientiane Gen. Khammu raided the house of a National assembly deputy, Meo tribesman Mou Seu, and reported confiscating 27 pounds of heroin hidden under the house roof.

Mou Seu, claiming immunity as a legislator, has not yet been prosecuted. This immunity runs out when the Assembly closes Nov. 11, and many American officials take the view that if the Lao government fails to prosecute Muo Seu under the new law, cooperation in the drug fight will have failed.

Sixty-six pounds of boiled opium have been confiscated from passengers on aircraft chartered to U.S. government agencies by Air America and Continental Airlines.

Since this flurry of activity, agents and runners have been eyeing each other warily.

"Nobody is buying opium for the international market," an informed U.S. official said.

Americans say the 1972 opium crop harvested in January and February has not been sold internationally because of the crackdown. This judgment is based on a drop in opium prices indicating a glut on the market on the Burmese side of the border.

To date, oplum and heroin have followed certain routes, and the Americans are concentrating first on closing off these routes. The flow of heroin follows the line of least resistance, one U.S. official said "We will stop it coming one way and it will flow around us. The traffickers will find new routes and we will close them off till it's no longer worthwhile. We can pinch the flow off across Thailand and Laos eventually, but the traffickers can always move through Burmese territory to Rangoon and the Bay of Bengal and there won't be much we can do about it. We have no political leverage in Burma."

American officials say about 450 tons of opium are produced annually in Burma's Shan and Wastates.

The opium flows out of the hills to the walled city of Kengtung. From Kengtung it follows the Burmese road system to Tachilek opposite the Thai town of Mai Sai. There are at least eight heroin refineries around Tachilek.

From Tachilek heroin moves in two directions, one across the border into Thailand and through Thailand's busy road net, the other east from Tachilek to a point just north of the area where Burma, Laos and Thailand come together.

The heroin crosses into Laos from Burma at Muong Hi village then continues down to the Yao tribes' headquarters at Nam Keun on the Mekong River.

In the Nam Keun area there are also heroin refineries which handle not only Burmese opium, but opium grown by the Lahu and Ekaw tribes in Laos. APPROVED FOR RELEASE DATE:

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Private Armies

The optum is transported by caravans of small hill ponies guarded by tribesmen of various private armies. The largest of these armies is the Kha Kwei Yei, known as KKY by U.S. agents, consisting of about 1,000 men commanded by Lo Sing Hang, who controls the refineries at Tachilek, the capital of heroin manufacture.

Agents say they are well disciplined, putting out good perimeter security when the caravans stop and flank scouts when the caravans are

moving.

To confuse matters there are other groups of KKY troops who have nothing to do with Lo Sing Hang who hire themselves out as caravan guards in between bouts of organized banditry. There is also another private army called the Do Ko in the Shan state area which currently is engaged in fights with Chinese Communist-organized Ekaw tribesmen.

On the Burmese side of the border there is also the Shan state army warring with Burmese government troops. All these private armies as

well as parts of the Burmese army and customs are believed to be involved in the opium trade.

The opium pays for their arms, which are supplied by the U.S. to Laotians, sold by the Lao to the Thais, then passed on into Burma.

Further downstream on the Mekong come the Kuomintang National Chinese who also provide guards for caravans not only in Burma but in Laos, too.

They include the ragtag remnants of troops defeated in China in 1949 who have taken up residence in Burma, Thailand and Laos near China's border. They are commanded by General Ly.

About 800 yards northeast of the Yao tribal town of Nam Keun there is a Kuomintang or KMT camp commanded by a Colonel Wu. The camp has a basketball court and long thatched but which serves as a barracks.

Colonel Wu makes a living on Lao territory by protecting heroin and opium in the stretch from the border at Muong Hi down to Nam Keun. I visited Nam Keun but saw no trace of the opium trade, apart from two old addicts and their narcotics equipment. To walk into Wu's camp would not be particularly wise or healthy I was advised.

The chief of the Yao tribes and the main suspect of U.S. officials is graying Chao La. One U.S. official summed him up this way: "Chao La is a businessman. As chief of the Yao he must look after their economic interests amongst other things. He handles the extraction of wood and sawmilling and many other things, but the Yaos' most important sources of income is probably opium, so he has to handle that, too."

Rather embarrassingly, Chao La has been in charge of recruiting troops from his Yao to fight in the irregular forces for the Central Intelligence

Agency.

.The Americans' other main suspect is Col. Khampal Saynasaith who as commander of volunteer battalion 18 at Ban Houei Sai may be protecting heroin in the next stage of travel.

Both Khampai and Chao La vehemently deny

involvement in the drug trade. Chao La says he has not been involved in drug trafficking since 1967. U.S. officials have no evidence against the two men that would stand up in a court.

Washing Powder

Heroin reaching Ban Houei Sai is flown out by Lao military transports and also, the Americans suspect, by T28 divebombers. American officials report that on several occasions when divebombers have landed in Ban Houei Sai to load up with bombs, Lao crews have wandered into the town. When the divebombers rev up to take off, a taxi appears at the last minute by back roads and packages are handed over. Pilots say the packages contain a white powder but that it's washing powder.

Besides this main drug route into Ban Houei Sai there are various boat crossing points along the Burma-Laos border where Americans believe opium may be cargo.

During my stay in the Ekaw tribe village about two miles south of the border, I saw plenty of evidence there was opium in the area. I slept one night on a wooden platform in a bamboo hut as the Ekaws' guest. Two Ekaws next to me spent several hours smoking opium — more than 50 pipes apiece.

The opium is what John Greenough of Ft. Smith, Ark., coordinator of U.S. AID in the northwest Laos area, called "mama papa" opium, for local consumption. The tribesmen throughout eastern Burma and northern Laos use it as a pain killer and a source of relaxation.

This trade presents American and Lao officials with a dilemma. It is obviously not designed for international trade and transformation into heroin.

It is doing no harm and may be doing some good. Should this opium be confiscated and the fields destroyed it would bring great unpopularity

to the Lao government and the United States in the area where the war with Communists is being fought.

On the other hand, if every bit of opium that can be found is confiscated, the locals will have to buy opium from Burma and Laos that normally would have gone into the international market.

Another strange quirk has appeared in the opium traffic pattern. The pro-Communist Pathet Lao have gotten into the act, capitalizing on traffickers' cupidity by selling fake opium.

Fake opium consists of chopped up banana stalks and tamarind leaves made into a ball the same size as an opium loaf and dipped into boiling opium. Unless every opium loaf is plugged and a sample taken from the center it is practically impossible to tell the difference from real opium. The Pathet Lao earn cash from its sale. At the same time they are clear of the drug traffic which they abhor.

In the battle against this array of private armies and local officials the U.S. Government has pitted the resources of several government agencies and considerable amounts of money.

The principal agencies involved are the Central Intelligence Agency and the Bureau of Narcotics and Dangerous Drugs. The U.S. Treasury through its Customs Unit and the public safety department of U.S. AID are also involved.

The CIA was chosen, officials say, because it is best equipped to gather intelligence on opium fields and the whereabouts of heroin refineries.

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It has both American and Asian agents who in the course of running irregular forces composed of tribesmen and Laotians engaged against North Vietnamese and Pathet Lao travel all over the Laos mountains and have command of the Lao language as well as some tribal languages.

The CIA draws on knowledge of local customs and personalities gathered over the last 12 years of war that the Narcotics Bureau, a newcomer to Laos, lacks.

Accusations of drug trafficking have been made against the CIA, but are believed to be inaccurate. The agency, with its \$120 million annual allotment for Laos, has no need of funds from opium sales to run the war.

The charges against the agency stem from three things. In the mid-sixties the CIA may have allowed Meo officers to transport opium on Air America aircraft in order to gain their support for Gen. Vang Pao against the Communists. This, officials say, does not happen now nor is it believed to have happened since late 1967.

This reporter has flown throughout most of northeast and northwest Laos on Air American aircraft and in the last eight months watched countless aircraft takeoff from Long Cheng and other airstrips. None has carried opium cargoes.

U.S. officials in the area are young and rather patriotic and say they would rather quit their jobs than become involved in drug trade. Today, all Air America aircraft carry a notice in Lao, Thai, Chinese and English saying "Notice to passengers; Possession or transport of opium or any narcotic product made from opium is a violation of Lao and Thai law and is absolutely forbidden aboard this aircraft. The carrier has the right to deny passage to anyone carrying an opium product or who refuses to submit to search of his person or of his luggage by persons authorized to do so."

At all main Laos airports every passenger is searched by U.S. or Lao officials from the U.S.—run Security Investigation Service.

Irregular Troops

Another reason charges are made against the CIA is that describe all there precautions the irregular troops themselves still carry opium in their field packs when themselves still carry opium in their on isolated hilltop airstrips. These air strips are often under shellfire. Troops throw themselves and their gear aboard the helicopters and the crew chiefs, trying to keep the troops from overloading the helicopters, take off without checking for opium on the troops.

To stop this transporting of raw or boiled oplum on U.S. sircraft, the CIA has arranged for irregulars to be searched when they come into irregular bases. At Nam Yu an irregular troops base 25 miles northeast of Ban Houel Sai, on the morning of Aug. 26 Laos miltary police took 400 grams (about one pound) of opium from an irregular soldler coming off an aircraft.

Since irregulars returning from combat always are sent first to places such as Nam Yu or Long Cheng, U.S. officials feel a search at these points away from danger areas but before the troops reach towns or families is best. A third charge against the CIA has been its involvement with personalities suspected of being in the drug trade. In Northwest Laos the person in question is Yao Chief Chae La, who manages his tribe's drug traffic as well as its military activities. To get rid of this stone around its neck the agency has started paying Yao troops directly through its American case officers and their assistants.

The agency thus bypasses Chao La because

he is no longer needed for recruiting.

American officials say Chao La protested the system and claimed no Lao would follow the Americans without his say so. The Americans

shrugged and sat back to see where the Lao would gravitate, and won their bet.

"I see this as gradual elimination of Chao La jand others who we feel are not cooperating with us against the drug traffic" a U.S. official said. While the CIA looks after the intelligence angle, U.S. Treasury and narcotics agents try to block opium routes and search for heroin refineries.

Americans have set up four customs posts. In the dry season areas in between will be covered by U.S. and Lao agents riding radio-equipped

Suzuki motorcycles on forest trails.

In Ban Houei Sai the U.S. installed \$80,000 worth of radio and other equipment which allows messages to be sent without local military eavesdropping. In addition, nine Laotians who work for a special Lao anti-narcotics group headed by Gen. Khammu are installed in Ban Houei Sai and other areas.

Of Gen. Khammu's toughness there is no doubt among U.S. officials. Acting on tips he grabs Lao public prosecutors, hauls them before Premier Souvanna Phouma, asks for search warrants on suspected houses, then still holding onto the prosecutor so he cannot tip off traffickers, makes his raid.

Threatening Letters

Since the general raided deputy Mou Seu he has been receiving threatening letters, but he seems determined to carry on. The general usually leads the raids on houses and suspected heroin refineries in person.

In the quest for informants the narcotics bureau is offering rewards of up to \$2,000 in U.S. currency for information leading to seizure of a

Unfortunately, some rewards are split 70 percent to the arresting agency, 30 percent to the informer, and informants are exposed to great danger in Northwest Laos and Burma.

American agents also use Air America planes in their search for likely producing refineries. The refineries are difficult to spot. One of them, for example, consisted of only three thatched huts, although it was a complete laboratory with everything from an electric generator for water distillation to a plastic sealer for heroin bags.

Two significant "fingerprints" refinery agents look for are the presence of a stream or small river and large bowls of white markings caused by

quicklime used in the heroin process.

This reporter spent several hours with one agent looking over the terrain on the Laos-Burma border in a light Air America aircraft and saw how tough it is to spot anything among the jungle-covered ridges of hills. In odd clearings or tucked away under trees are tiny villages which could house a refinery.

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With all these measures and some luck with informants, U.S. officials hope they will eventually seal off Laos as a transit route for drug traffickers.

"We hope it just won't be worth while any more for them to spend time and money and risk their investments trying to find ways round us," a U.S. official said.

"The heroin refineries are dormant now we think, but they'll probably try this Tachilek, Nam. Keun, Ban Houei Sai route again in the next few months. Both sides (agents and traffickers) are sitting back eyeing each other, figuring out ways and means. There may even be some shooting before all this is over."

There are several gaping holes in U.S. defenses. One is that agents cannot cross into Burma and hit refineries there because of the state

of relations between Burma and the United States.

Another loophole is the Lao themselves.

Agents are not authorized to search Lao civil and military aircraft. In some cases Lao agents of Gen. Khammu can make searches but usually do so only after a tipoff. This leaves the job to the Lao police. Unfortunately there is some evidence that Lao police cover up for traffickers. Police, judging from their handling of street gang fights in Vientiane, are just not a capable law enforcement agency.

The CIA warns irregulars they will be dropped from payrolls if caught trafficking, but the United States seems to have little leverage on the Lao army though it is involved in paying, training and equipping it.